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Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994

First performance report of the International Criminal Tribunal for Rwanda for the biennium 2008-2009

Report of the Secretary-General

Summary

The first performance report of the International Criminal Tribunal for Rwanda for the biennium 2008-2009 is submitted pursuant to General Assembly resolution 62/229. The present report reflects a requirement for additional appropriations of $7 million, net of staff assessment, over the initial appropriation for the biennium 2008-2009. The increased requirements reflect changes with respect to exchange rates, inflation and standard salary costs. The Assembly is requested to approve an additional appropriation for the biennium 2008-2009 in the amount of $7,831,700 gross ($6,948,000 net) to the Special Account for the International Criminal Tribunal for Rwanda.

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I. Introduction

1. The primary purpose of the first performance report is to identify adjustments required owing to variations in the rates of inflation and exchange, and in the standards assumed in the calculation of the initial appropriations.

2. The net increase in requirements of $6,984,000 for the International Criminal Tribunal for Rwanda resulting from these technical adjustments is shown in tables 1 and 2 below. Table 1 reflects the changes by component and main determining factor, and table 2 reflects the changes by object of expenditure and main determining factor.

3. Explanations of the variations in the costing parameters assumed in the calculation of the initial appropriations are provided in paragraphs 5 and 6 below. In addition, the annex provides the budgetary assumptions used in the initial appropriations for the biennium 2008-2009 and the rates now proposed in the present report.

Table 1
Summary of projected expenditures and income by component and main determining factor
(Thousands of United States dollars)

		Projected changes				
Component	*2008-2009 appropriation*[a]	*Exchange rate*	*Inflation*	*Standards*	*Total*	*Proposed revised appropriation*
A. Chambers	8 996.9	(27.7)	1 167.5	—	1 139.8	10 136.7
B. Office of the Prosecutor	58 965.5	(354.7)	1 531.6	475.8	1 652.7	60 618.2
C. Registry	190 760.9	(1 000.6)	4 951.6	729.7	4 680.7	195 441.6
D. Records management and archives	8 632.9	(112.8)	471.3	—	358.5	8 991.4
Total expenditure (gross)	**267 356.2**	**(1 495.8)**	**8 122.0**	**1 205.5**	**7 831.7**	**275 187.9**
Income						
Staff assessment income	19 889.6	(73.3)	127.4	829.6	883.7	20 773.3
Total (net)	**247 466.6**	**(1 422.5)**	**7 994.6**	**375.9**	**6 948.0**	**254 414.6**

[a] As approved in resolution 62/229.

Table 2
Summary of projected expenditures by object of expenditure and main determining factor
(Thousands of United States dollars)

		Projected changes				
Component	*2008-2009 appropriation*[a]	*Exchange rate*	*Inflation*	*Standards*	*Total*	*Proposed revised appropriation*
Posts	170 097.2	(920.9)	4 606.7	375.9	4 061.7	174 158.9
Other staff costs	16 556.4	(384.2)	(248.6)	—	(632.8)	15 923.6
Non-staff compensation	8 362.5	(27.7)	1 151.7	—	1 124.0	9 486.5
Consultants and experts	1 034.0	10.5	52.9	—	63.4	1 097.4

Component	*2008-2009 appropriation*[a]	*Projected changes*				*Proposed revised appropriation*
		Exchange rate	*Inflation*	*Standards*	*Total*	
Travel of representatives	634.4	—	15.8	—	15.8	650.2
Travel	4 977.6	—	121.3	—	121.3	5 098.9
Contractual services	23 714.2	10.0	1 250.0	—	1 260.0	24 974.2
General operating expenses	13 485.6	(83.2)	733.5	—	650.3	14 135.9
Hospitality	7.1	(0.2)	0.3	—	0.1	7.2
Supplies and materials	3 172.9	(15.1)	170.0	—	154.9	3 327.8
Furniture and equipment	2 347.7	(10.5)	125.5	—	115.0	2 462.7
Improvement of premises	289.8	(1.2)	15.5	—	14.3	304.1
Grants and contributions	2 787.2	—	—	—	—	2 787.2
Staff assessment	19 889.6	(73.3)	127.4	829.6	883.7	20 773.3
Total (gross)	**267 356.2**	**(1 495.8)**	**8 122.0**	**1 205.5**	**7 831.7**	**275 187.9**
Income						
Staff assessment income	19 889.6	(73.3)	127.4	829.6	883.7	20 773.3
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[a] As approved in resolution 62/229.

II. Explanation of the changes in net requirements

4. The changes resulting from the main determining factors reflected in tables 1 and 2 would yield an increase of $7,831,700 in expenditure requirements, for a total revised appropriation of $275,187,900 (gross). Details are as follows:

	(Thousands of United States dollars)	
Appropriation[a]	**267 356.2**	
Variations in budgetary assumptions		
Changes in exchange rates	(1 495.8)	(Based on United Nations operational rates of exchange)
Changes in inflation assumptions	8 122.0	(Based on consumer price indices, post adjustment multipliers promulgated and actual versus budgeted cost-of-living adjustments)
Adjustments to standard salary costs and common staff costs	1 205.5	(Based on analysis of actual payroll data, vacancies, common staff costs, recommendations of the International Civil Service Commission and staff assessment provisions consequent upon consolidation of post adjustment)
Revised total (gross)	**275 187.9**	

[a] As approved in resolution 62/229.

A. Changes in exchange rates

(Decrease: $1,495,800)

5. The basis for recosting can be either the average operational rates of exchange experienced thus far in the biennium (the averaging method) or the operational rates in effect at the time of recosting (the latest rate). It will be recalled that, in its report on the accounts of the United Nations for the biennium ended 31 December 1995, the Board of Auditors recommended that budgetary assumptions relating to operational exchange rates be based on an averaging method instead of the latest available exchange rates (A/51/5 (vol. I)). The Secretary-General had indicated that it would not be advisable to predetermine whether the averaging method or the latest month should be used for budget forecasting and recosting, and that such a decision should be taken at the time of each recosting. This was reported to the General Assembly and agreed to by the Advisory Committee on Administrative and Budgetary Questions, which indicated that the Secretary-General should use such rates as would allow for the lowest estimates.

6. In the present performance report, the exchange rates realized have been applied to the period from January to November 2008 and the November 2008 exchange rate has been applied to December 2008. As a result of the recent appreciation of the United States dollar vis-à-vis other currencies (see figures 1-3 below), the November rate (the latest rate) has been applied for 2009 so as to allow for the lowest estimate in respect of requirements in accordance with established methodology. The decrease of $1,495,800 reflects reduced requirements in 2009, partially offset by additional requirements in 2008. Adjustments resulting from actual experience in 2009 would be implemented in the second performance report for the biennium 2008-2009. The additional requirements under consultants and experts, and contractual services due to exchange rate are attributable to the fact that the provisions in 2008 are higher in comparison to 2009 as a consequence of reduced trial activities envisaged for 2009.

Figure 1
Performance of the euro against the United States dollar, 2008

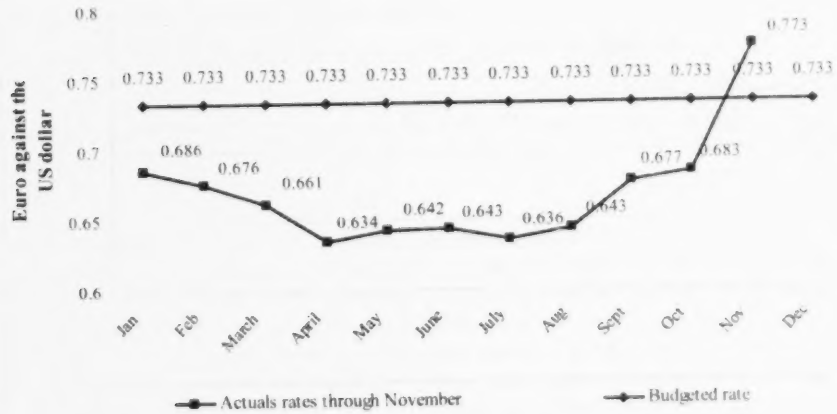


Figure 2
Performance of the Rwandan Franc against the United States dollar, 2008

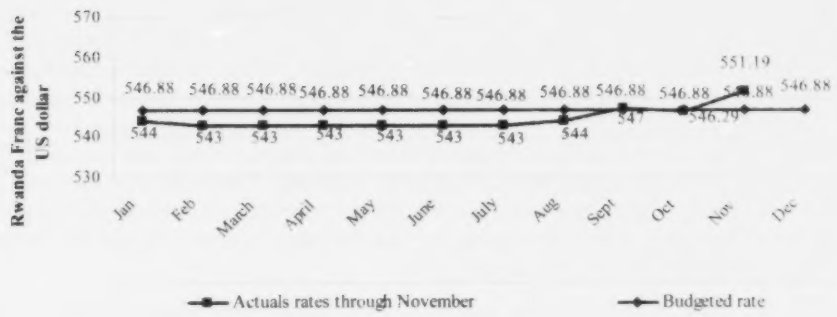
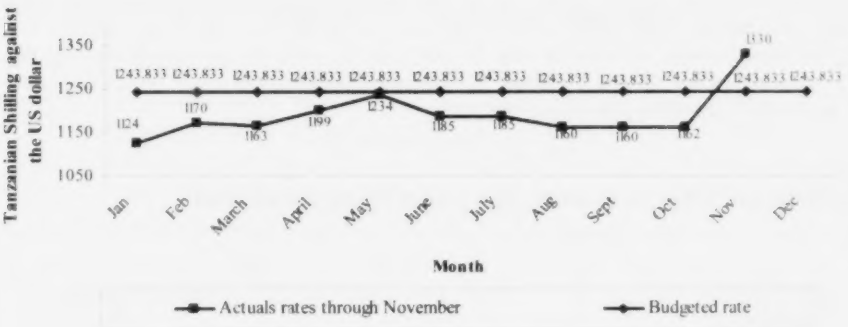


Figure 3
Performance of the Tanzanian Shilling against the United States dollar, 2008



B. Inflation

(Increase: $8,122,000)

7. The revised projected inflation rates applied to all the objects of expenditure in Arusha, Kigali and The Hague are based on actual post adjustment multipliers for the period from January to November 2008 and projections based on data used by the International Civil Service Commission as well as the latest information available on consumer price indices and actual versus budgeted cost-of-living adjustments. The decrease under other staff costs based on inflation rates relates to the one-time provisions in 2009 of general temporary assistance for the continuation of some of the functions of the posts scheduled for abolition effective 1 January

2009. In order to align the inflation adjustment for these provisions with that for posts, the latest standard salary cost parameters applicable to posts have been applied to the provisions under general temporary assistance, which have resulted in reduced requirements.

C. Adjustments to standard costs

(Increase: $1,205,500)

8. The increase of $1,205,500 associated with adjustments to standard costs reflects the net effect of changes in standard salary costs, common staff costs and staff assessment rates. Revisions to standard salary costs for 2008 are based on the actual averages experienced thus far in the biennium, by category and level. Projections for 2009 are based on the trends experienced in 2008.

III. Pension of judges

9. In section II, paragraph 5, of its resolution 62/229, the General Assembly requested the Secretary-General to include, in the context of the first performance report for the biennium 2008-2009, information on specific parameters of the management of the funds to be appropriated to meet future requirements for pension benefits of the judges of the International Criminal Tribunal for Rwanda and eligible beneficiaries.

10. Given that the retirement benefits of the judges of the Tribunal are sui generis, the mechanism that would need to be in place would have a primary investment goal to ultimately meet or exceed future benefit obligations to the retired judges of the Tribunal. The Secretariat is currently discussing the issue of an appropriate mechanism with experts in the field of pension management and will report to the General Assembly on the outcome of those discussions during its sixty-fourth session.

IV. Action requested of the General Assembly

11. **The General Assembly is requested:**

(a) **To take note of the present report;**

(b) **To approve an additional appropriation for the biennium 2008-2009 in the amount of $7,831,700 gross ($6,948,000 net) for the Special Account for the International Criminal Tribunal for Rwanda.**

Annex

Budgetary assumptions for the International Criminal Tribunal for Rwanda for the biennium 2008-2009

	Duty station											
	The Hague (euro to US dollar)				*Arusha (Tanzanian shilling to US dollar)*				*Kigali (Rwanda franc to US dollar)*			
	Initial appropriation		*Proposed estimates for the revised appropriation*		*Initial appropriation*		*Proposed estimates for the revised appropriation*		*Initial appropriation*		*Proposed estimates for the revised appropriation*	
Budget parameters	*2008*	*2009*	*2008*	*2009*	*2008*	*2009*	*2008*	*2009*	*2008*	*2009*	*2008*	*2009*
Rate of exchange	0.733	0.733	0.677	0.773	1 243.833	1 243.833	1 200.167	1 330.000	546.880	546.880	545.139	551.190
Inflation rate (percentage)	2.00	2.00	2.50	1.70	4.90	4.50	9.30	7.70	7.50	7.30	9.50	8.00
Post adjustment multiplier (percentage)	55.75	57.55	67.55	52.10	41.23	43.43	43.45	42.47	47.35	42.68	47.02	53.73
Common staff costs rate (percentage)	40.24	40.24	40.24	40.24	80.56	80.56	80.56	80.56	98.52	98.52	79.84	79.84
Vacancy rates for continuing posts (percentage)												
Professional category and above	9.50	9.50	9.50	9.50	15.10	15.10	15.10	15.10	15.10	15.10	15.10	15.10
General Service and related categories	7.90	7.90	7.90	7.90	8.90	8.90	8.90	8.90	8.90	8.90	8.90	8.90
Vacancy rates for new posts (percentage)												
Professional category and above	50.00	50.00	50.00	50.00	15.10	15.10	15.10	15.10	15.10	15.10	15.10	15.10
General Service and related categories	40.00	40.00	40.00	40.00	8.90	8.90	8.90	8.90	8.90	8.90	8.90	8.90